

# ARIZONA CORPORATION COMMISSION

## UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02074A  
BEARDSLEY WATER COMPANY  
c/o First National Management, Inc.  
P.O. Box 1020  
Apache Junction, AZ 85217-1020

RECEIVED

APR 27 2007

AZ CORP COMM  
Director Utilities

## ANNUAL REPORT

FOR YEAR ENDING

12	31	2006
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FOR COMMISSION USE

Ann04	06
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Entered  
4-26-07

## COMPANY INFORMATION

**Company Name (Business Name)** Beardsley Water Company

**Mailing Address** P.O. Box 1020  
(Street)

Apache Junction  
(City)

Arizona  
(State)

85217-1020  
(Zip)

(480) 677-6080

Telephone No. (Include Area Code)

(480) 677-6082

Fax No. (Include Area Code)

(480) 240-8051

Pager/Cell No. (Include Area Code)

**Email Address** jlopez2027@aol.com

**Local Office Mailing Address** 3880 S. De Niza Road  
(Street)

Apache Junction  
(City)

Arizona  
(State)

85219  
(Zip)

Same as above

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** Same as above

## MANAGEMENT INFORMATION

**Management Contact:** Fred T. Wilkinson Agent  
(Name) (Title)

3880 S. De Niza Road  
(Street)

Apache Junction  
(City)

Arizona  
(State)

85219  
(Zip)

(480) 677-6080

Telephone No. (Include Area Code)

(480) 677-6082

Fax No. (Include Area Code)

(480) 240-8051

Pager/Cell No. (Include Area Code)

**Email Address** jlopez2027@aol.com

**On Site Manager:** First National Management, Inc.  
(Name)

P.O. Box 1020  
(Street)

Apache Junction  
(City)

Arizona  
(State)

85217-1020  
(Zip)

(480) 677-6020

Telephone No. (Include Area Code)

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(480) 240-8051

Pager/Cell No. (Include Area Code)

**Email Address** jlopez2027@aol.com

**Please mark this box if the above address(es) have changed or are updated since the last filing.**

**Statutory Agent:** Boyd Weed

(Name)

P.O. Box 34237

(Street)

(602) 973-6305

Phoenix

(City)

(602) 242-6663

Arizona

(State)

85067-4237

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Attorney:** Timothy W. Barton (Gust Rosenfeld)

(Name)

201 North Central Avenue

(Street)

(602) 257-7431

Phoenix

(City)

Fax No. (Include Area Code)

Arizona

(State)

85073-3300

(Zip)

Pager/Cell No. (Include Area Code)

**Please mark this box if the above address(es) have changed or are updated since the last filing.**

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) \_\_\_\_\_

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☒ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

**COMPANY NAME**      Beardsley Water Company

**UTILITY PLANT IN SERVICE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
301	Organization			
302	Franchises			
303	Land and Land Rights	10.00	0.00	10.00
304	Structures and Improvements	31,630.00	7,023.58	24,606.42
307	Wells and Springs	153,129.74	52,861.74	100,268.00
311	Pumping Equipment	133,780.99	43,049.43	90,731.56
320	Water Treatment Equipment	1,895.00	473.75	1,421.25
330	Distribution Reservoirs and Standpipes	229,509.95	57,824.69	171,685.26
331	Transmission and Distribution Mains	479,178.20	108,939.54	370,238.66
333	Services	43,757.78	11,904.78	31,853.00
334	Meters and Meter Installations	36,900.93	9,936.56	26,964.37
335	Hydrants	30,010.53	2,268.26	27,742.27
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	2,200.00	1,045.00	1,155.00
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	675.00	675.00	0.00
348	Other Tangible Plant			
	<b>TOTALS</b>	1,142,678.12	296,002.33	846,675.79

This amount goes on the Balance Sheet Acct. No. 108

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (1)</b>	<b>Depreciation Percentage (2)</b>	<b>Depreciation Expense (1x2)</b>
301	Organization			
302	Franchises			
303	Land and Land Rights	10.00	0%	0.00
304	Structures and Improvements	31,630.00	5%	1,582.00
307	Wells and Springs	153,130.00	5%	7,657.00
311	Pumping Equipment	133,781.00	4.7%	6,287.00
320	Water Treatment Equipment	1,895.00	5%	95.00
330	Distribution Reservoirs and Standpipes	229,510.00	5%	11,476.00
331	Transmission and Distribution Mains	479,178.00	5%	23,959.00
333	Services	43,758.00	5%	2,188.00
334	Meters and Meter Installations	36,901.00	4.5%	1,661.00
335	Hydrants	30,011.00	5%	1,501.00
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	2,200.00	5%	110.00
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	675.00	2.7%	19.00
348	Other Tangible Plant			
	<b>TOTALS</b>	1,142,679.00		56,535.00

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

### BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 57,874.75	\$139,999.05
134	Working Funds		
135	Temporary Cash Investments	3,266.38	64,325.74
141	Customer Accounts Receivable	11,439.74	30,024.32
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$ 72,580.87</b>	<b>\$ 234,349.11</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$972,813.07	\$1,142,678.12
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(239,470.28)	(296,002.33)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	<b>\$733,342.79</b>	<b>\$846,675.79</b>
	<b>TOTAL ASSETS</b>	<b>\$805,923.66</b>	<b>\$ 1,081,024.90</b>

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 5,286.63	\$ 8,653.22
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	3,046.60	5,461.60
236	Accrued Taxes		(1,522.62)
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	50,000.00	18,000.00
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 58,333.23	\$ 30,592.20
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 58,205.34	\$ 55,799.35
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$ -0-	\$ -0-
252	Advances in Aid of Construction	539,987.25	716,686.75
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	59,549.40	59,549.40
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 599,536.65	\$ 776,236.15
	<b>TOTAL LIABILITIES</b>	\$ 716,075.22	\$ 862,627.70
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 358,823.89	\$ 358,823.89
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	(267,359.26)	(268,975.44)
218	Net Income	(1,616.19)	128,548.75
	<b>TOTAL CAPITAL</b>	\$ 89,848.44	\$ 218,397.20
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$805,923.66</b>	<b>\$1,081,024.90</b>

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 188,789.84	\$ 303,917.82
460	Unmetered Water Revenue		
474	Other Water Revenues	6,028.41	4,980.00
	<b>TOTAL REVENUES</b>	\$ 194,818.25	\$ 308,897.82
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ -0-	\$ -0-
610	Purchased Water		
615	Purchased Power	23,819.86	33,908.18
618	Chemicals		
620	Repairs and Maintenance	5,031.87	3,487.02
621	Office Supplies and Expense		272.81
630	Outside Services	96,990.00	152,832.50
635	Water Testing	9,112.00	6,157.02
641	Rents	300.00	
650	Transportation Expenses	460.86	687.33
657	Insurance – General Liability	4,285.00	4,162.00
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case	4,083.20	23,243.49
675	Miscellaneous Expense	5,918.19	7,157.12
403	Depreciation Expense	45,023.36	56,532.05
408	Taxes Other Than Income		
408.11	Property Taxes	5.88	6,493.15
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	\$ 195,030.22	\$ 294,932.67
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$ -0-	\$ 3,016.66
421	Non-Utility Income		112,810.00
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	1,404.22	1,243.06
	<b>TOTAL OTHER INCOME/EXP</b>	\$ (1,404.22)	\$ 114,583.60
	<b>NET INCOME/(LOSS)</b>	\$ (1,616.19)	\$ 128,548.75



**COMPANY NAME** Beardsley Water Company

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued	02/22/02			
Source of Loan	W I F A			
ACC Decision No.	63202 & 64177			
Reason for Loan	Installation of 100,000 gal tank			
Dollar Amount Issued	\$65,000	\$	\$	\$
Amount Outstanding	\$55,799	\$	\$	\$
Date of Maturity	02/01/22			
Interest Rate	5.063%			
Current Year Interest	\$1,178	\$	\$	\$
Current Year Principle	\$2,406	\$	\$	\$

Meter Deposit Balance at Test Year End                      \$     \$5,461.60

Meter Deposits Refunded During the Test Year                \$     \$1,225.00

**COMPANY NAME** Beardsley Water Company

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)	Year Drilled
55-618472	15hp	100	10	2	1968
55-618473	15hp	95	10	2	1971
55-618474	7.5hp	N/A	6	N/A	Unknown
55-618476	N/A	N/A	6	N/A	1979
55-556291	7.5hp	35	6	2	1996
55-577605	5hp	35	8	3	2002
55-591679	30hp	160	8	3	2000
55-595072	35hp	240	8	3	2004

- Arizona Department of Water Resources Identification Number

### **OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)	
NONE			

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	4	54	10
5	1		
40	1		
50	1		
15	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	3	2,000	3
30,000	1	5,000	1
60,000	2	4,000	1
100,000	1		

COMPANY NAME    Beardsley Water Company

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	PVC	210
3	PVC	4630
4	PVC	6320
5		
6	PVC	26,003
8	PVC	30,614
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	141
3/4	1
1	22
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category.

**TREATMENT EQUIPMENT:**

Chlorination Equipment at Each Well Site

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**STRUCTURES:**

Each Well Site has either a 6 foot high block wall or a chain link fence.

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**OTHER:**

None

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COMPANY NAME: Beardsley Water Company

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
OCTOBER	334	4,195,500	5,519.30
NOVEMBER	339	3,842,400	1,875.28
DECEMBER	341	2,980,900	5,405.12
JANUARY	366	3,682,700	4,111.50
FEBRUARY	375	4,031,000	4,747.00
MARCH	384	3,294,000	4,013.80
APRIL	389	9,037,100	6,095.00
MAY	400	6,288,500	7,521.10
JUNE	401	6,287,580	7,430.90
JULY	405	5,071,273	10,012.30
AUGUST	409	7,150,800	7,819.10
SEPTEMBER	411	5,099,600	5,931.40
TOTAL		60,961,353	70,481.80

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( x ) Yes                      ( ) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes                      ( x ) No

If yes, provide the GPCPD amount: \_\_\_\_\_

What is the level of arsenic for each well on your system.    (See Attached)    mg/l

*(If more than one well, please list each separately)*

***Note: If you are filing for more than one system, please provide separate data sheets for each system.***

BEARDSLEY WATER COMPANY CURRENT LEVELS OF ARSENIC PER WELL

<u>PWS #</u>	<u>POE #</u>	<u>DWR WELL #</u>	<u>ARSENIC LEVEL</u>	<u>ANALYSIS DATE</u>
07-007	1	55-618472	0.0028	02-17-06
07-007	2	55-618473	0.0029	02-17-06
INACTIVE		55-618474		
INACTIVE		55-618476		
07-509	1	55-556291	0.0028	10-12-05
07-511	1	55-577605	0.0023	02-17-06
07-517	1	55-591679	0.0026	02-17-06
07-528	1	55-595072	0.00028	02-17-06

ALL WELLS MEET THE NEW SAFE DRINKING WATER STANDARD OF 10  
PARTS PER BILLION.

COMPANY NAME Beardsley Water Company YEAR ENDING 12/31/2006

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2006 was: \$ \$5,998.41

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

BEARDSLEY WATER COMPANY, INC.

PO BOX 1020  
APACHE JUNCTION, AZ 85217-1020  
(480) 677-6080

BANK OF AMERICA, NA  
SUPERSTITIONS SPRINGS OFFICE 138  
91-170/1221

2165

2/2/2006

PAY TO THE  
ORDER OF Maricopa County Treasurer

\$ \*\*2,674.51

Two Thousand Six Hundred Seventy-Four and 51/100\*\*\*\*\*

DOLLARS

Maricopa County Treasurer  
P.O. Box 78574  
Phoenix, Az. 85062-8574

TWO SIGNATURES  
REQUIRED OVER \$500.00.

*Fred + Wilkin*

*Judy A. Lopez*

MEMO

⑈002165⑈ ⑆122101706⑆ 004674653180⑈

⑈0000267451⑈

BEARDSLEY WATER COMPANY, INC.

PO BOX 1020  
APACHE JUNCTION, AZ 85217-1020  
(480) 677-6080

BANK OF AMERICA, NA  
SUPERSTITIONS SPRINGS OFFICE 138  
91-170/1221

2359

10/17/2006

PAY TO THE  
ORDER OF Maricopa County Treasurer

\$ \*\*3,323.90

Three Thousand Three Hundred Twenty-Three and 90/100\*\*\*\*\*

DOLLARS

Maricopa County Treasurer  
P.O. Box 78574  
Phoenix, Az. 85062-8574

TWO SIGNATURES  
REQUIRED OVER \$500.00.

*Judy A. Lopez*  
*Lynne A. Lopez*

⑈002359⑈ ⑆122101706⑆ 004674653180⑈

⑈0000332390⑈

07-06-96 E2605 01 P01

HALEIGH COUNTY TREAS>004379483657\*11/04/05.

US DATE 11/06/06  
P03 E C 044 AZ

BANK OF AMERICA, NA TRF  
#1221017064 FRATZ, G1, PA1  
11706/06

350044



COMPANY NAME Beardsley Water Company YEAR ENDING 12/31/2003

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>-0-</u>
Estimated or Actual Federal Tax Liability	<u>-0-</u>

State Taxable Income Reported	<u>-0-</u>
Estimated or Actual State Tax Liability	<u>-0-</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>-0-</u>
Amount of Gross-Up Tax Collected	<u>-0-</u>
Total Grossed-Up Contributions/Advances	<u>-0-</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

✓  
\_\_\_\_\_  
**SIGNATURE**

✓  
\_\_\_\_\_  
**DATE**

✓  
\_\_\_\_\_  
**PRINTED NAME**

✓  
\_\_\_\_\_  
**TITLE**

RECEIVED

APR 25 2007

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

✓ CORP COMM  
Director Utilities

**VERIFICATION**STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Maricopa
NAME (OWNER OR OFFICIAL) TITLE	Fred T. Wilkinson Agent
COMPANY NAME	Beardsley Water Company

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION****FOR THE YEAR ENDING**

MONTH	DAY	YEAR
09	30	2006

**HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.**

**SWORN STATEMENT**

**IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:**

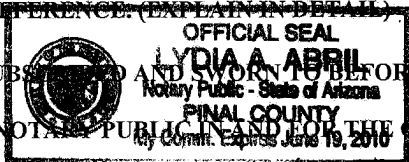
Arizona IntraState Gross Operating Revenues Only (\$)

\$ 335,741

**(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 26,843  
IN SALES TAXES BILLED, OR COLLECTED**

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF



THIS

24

DAY OF

*Fred T. Wilkinson*

SIGNATURE OF OWNER OR OFFICIAL

480-677-6080

TELEPHONE NUMBER

COUNTY NAME	Pinal
MONTH	April 2006 2007

SIGNATURE OF NOTARY PUBLIC

*Lydia A. Abril*

(SEAL)  
MY COMMISSION EXPIRES

*June 19, 2010*

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

RECEIVED

APR 25 2007

AZ CORP COMM  
Director: Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF: Maricopa

NAME (OWNER OR OFFICIAL) Fred T. Wilkinson

TITLE Agent

COMPANY NAME Beardsley Water Company

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
09	30	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

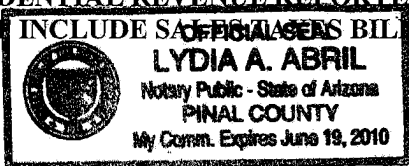
ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 335,741

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 26,843

IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.



X Fred T. Wilkinson  
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

24

DAY OF

NOTARY PUBLIC NAME

Lydia A. Abril

COUNTY NAME

Pinal

MONTH

April

2006 2007

(SEAL)

MY COMMISSION EXPIRES

June 19, 2010

X

Lydia A. Abril  
SIGNATURE OF NOTARY PUBLIC